MaineCare Services
An Office of the
Department of Health and Human Services

FOR DISCUSSION
DRAFT
PURPOSES ONLY

MaineCare

Value-Based Purchasing Strategy

DHHS Office Directors' and Design Management Committee Meeting

January 9, 2012

http://www.maine.gov/dhhs/oms/mgd_care/mgd_care_index.html

Agenda

MaineCare Services
An Office of the Department of Health and Human Services

Agenda

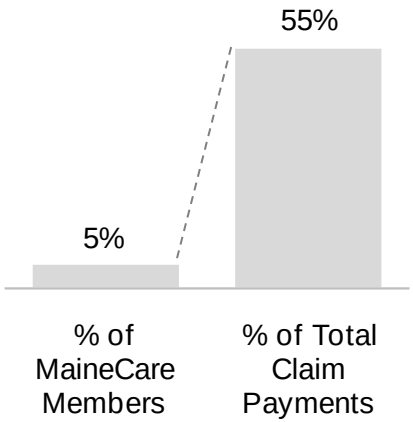
- Welcome from Commissioner Mayhew
- Context: High-Cost Member Profile
- Overview of Value-Based Purchasing Strategy
- Description and Discussion of Strategy Components
  1. Emergency Department Collaborative Care Management Project
  2. Leveraging of current initiatives and federal opportunities
     - Health Homes
     - Primary Care Provider (PCP) Incentive Payment Reform
     - Transparency and Reporting
  3. Accountable Communities Initiative
- Request for Information
- Next Steps & DMC Role

MaineCare's top 5% high cost users account for 55% of total claim payments.

MaineCare Services
An Office of the Department of Health and Human Services

FY10 Expenditures

- The top 5% of highest cost MaineCare enrollees (17,182 members) accounted for $1.2 billion or 55% of total claim payments.*
- High cost members' average annual cost per year was $74,215.



Who are the high cost members?

- Over half are aged 21-64, accounting for 57% of high cost claim payments.
- They are older than the general MaineCare population:
  - Are less likely to be children
  - About 1 in 5 is age 75 or older, compared to about 1 in 10 for MaineCare as a whole.
- 61% are enrolled in MaineCare due to disability.
- Almost half (46%) are dually eligible for Medicaid and Medicare.

DHHS' strategy must address dual eligibles through Health Homes.

*This is consistent with findings in the literature that showed that 5% of the population accounted for almost 50% of the total health care expense.

71% of high cost members use long term care; 42% mental health services.

MaineCare Services
An Office of the Department of Health and Human Services

What are the services high cost users receive the most?

- 71% used long term care services, including nursing home, Home & Community Based Services, ICFMRs, private duty nursing, and personal care. This reflects 53% of the high cost members' claim payments.
  - $294M HCBS for members with developmental disabilities: 19% of high cost members with ave cost of $89,618 each.
  - $204M nursing facility: 26% of high cost members with ave cost of $45,548 each.
  - $173M PNMI: 20% of the high cost members with ave cost of $51,707 each.
- 42% received some level of case management.
- 42% used mental health services.
- The top 4 primary diagnoses accounting for 55% of high cost members' claims were:
  - Intellectual disabilities (25% of members, 27% of costs)
  - Other psychosis (37% of members, 15% of costs)
  - Neurotic, personality, & other non-psychotic mental disorders (44% of members, 10% of costs)
  - Organic psychotic conditions (15% of members, 3% of costs)

DHHS' strategy must address integration of behavioral and physical health and coordination with long term service providers and care managers.

Agenda

MaineCare Services
An Office of the Department of Health and Human Services

Agenda

- Welcome from Commissioner Mayhew
- Context: High-Cost Member Profile
- Overview of Value-Based Purchasing Strategy
- Description and Discussion of Strategy Components
  1. Emergency Department Collaborative Care Management Project
  2. Leveraging of current initiatives and federal opportunities
     - Health Homes
     - Primary Care Provider (PCP) Incentive Payment Reform
     - Transparency and Reporting
  3. Accountable Communities Initiative
- Request for Information
- Next Steps & DMC Role

Overview of Value-Based Purchasing Strategy

MaineCare Services
An Office of the Department of Health and Human Services

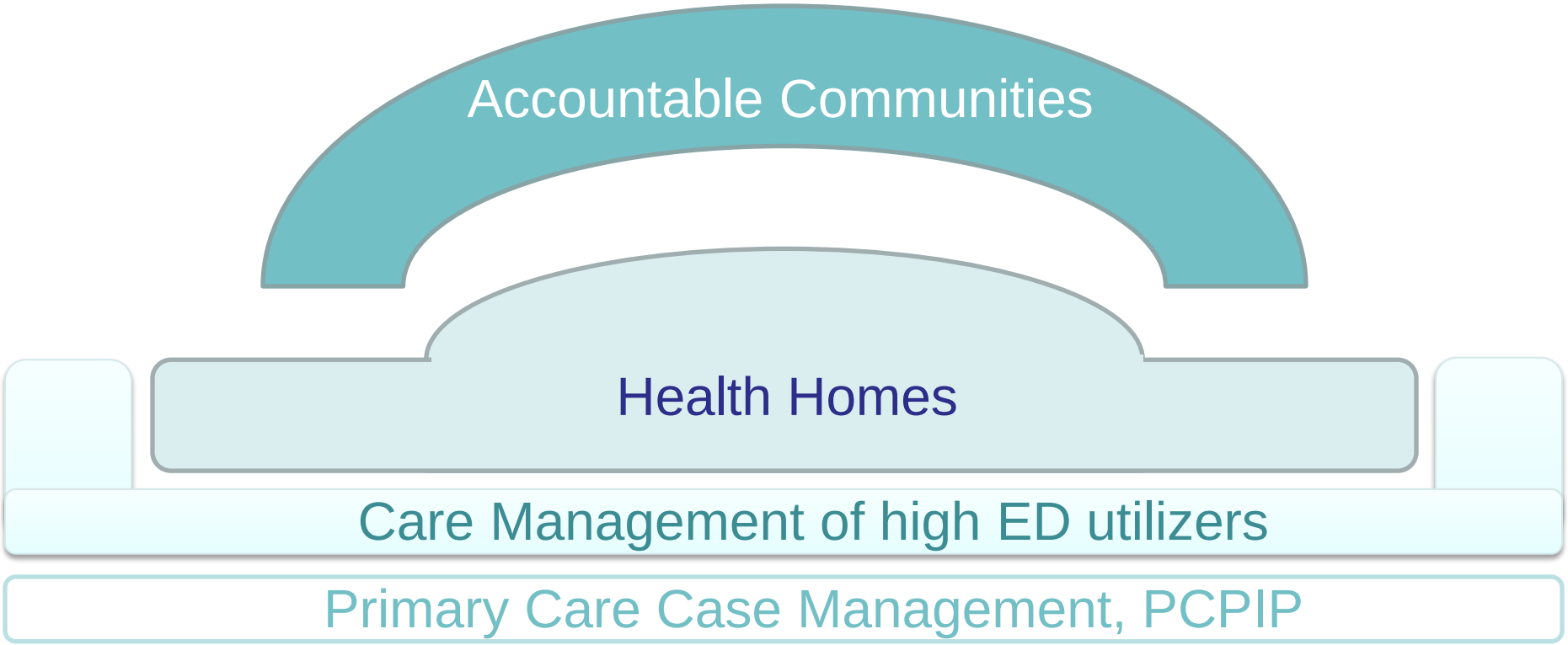
Value-based purchasing means holding providers accountable for both the quality and cost of care, through:

- Increased transparency of cost and quality outcomes
- Reward for performance
- Payment reform

The Department has developed a three-pronged Value-Based Purchasing strategy to achieve target savings and improved health outcomes.

1. Emergency Department Collaborative Care Management Initiative
2. Leveraging of current initiatives and federal opportunities
   - Health Homes
   - Primary Care Provider (PCP) Incentive Payment Reform
   - Transparency and Reporting
3. Accountable Communities Initiative

How do the different components of the VBP Strategy fit together?



Value Based Purchasing Timeline to Date

MaineCare Services
An Office of the Department of Health and Human Services

Feb 2011:

Suspension of Maine Managed Care Initiative (MMI)

Aug 2011: Announcement of VBP Strategy

Oct 2011:

Stakeholders reconvened to introduce VBP Strategy

Member Standing Committee Reconvened

1:1 meetings

Nov 2011:

RFI Issued

1:1 meetings

Dec 2011:

28 RFI responses received

1:1 meetings

Jan 2012: Design Management Committee reconvened

Agenda

MaineCare Services
An Office of the Department of Health and Human Services

Agenda

- Welcome from Commissioner Mayhew
- Context: High-Cost Member Profile
- Overview of Value-Based Purchasing Strategy
- Description and Discussion of Strategy Components
  1. Emergency Department Collaborative Care Management Project
  2. Leveraging of current initiatives and federal opportunities
     - Health Homes
     - Primary Care Provider (PCP) Incentive Payment Reform
     - Transparency and Reporting
  3. Accountable Communities Initiative
- Request for Information
- Next Steps & DMC Role

1. Emergency Department Collaborative Care Management Project

MaineCare Services
An Office of the Department of Health and Human Services

Emergency Department Collaborative Care Management Project Summary and Progress:

- "Boots on the ground" approach to provide team-based care management to MaineCare's highest ED utilizers, identified in conjunction with hospitals.
- Based on successful pilot with MaineGeneral initiated in September, 2010, which achieved a 33% reduction in ED visits by MaineGeneral's 35 highest ED users.
- The Department initiated contact with Maine's 36 hospitals in June and met with all hospitals over the summer.
- As of this month,
  - 36 hospitals have determined their lists of high utilizers.
  - 28 hospitals have begun case conferences and have met a total of 73 times.
  - 7 more hospitals are scheduled to meet this month.
  - Assisting almost 650 members at this time. This number will increase as hospitals increase their numbers of high utilizers they are managing.

Agenda

MaineCare Services
An Office of the Department of Health and Human Services

Agenda

- Welcome from Commissioner Mayhew
- Context: High-Cost Member Profile
- Overview of Value-Based Purchasing Strategy
- Description and Discussion of Strategy Components
  1. Emergency Department Collaborative Care Management Project
  2. Leveraging of current initiatives and federal opportunities
     - Health Homes
     - Primary Care Provider (PCP) Incentive Payment Reform
     - Transparency and Reporting
  3. Accountable Communities Initiative
- Request for Information
- Next Steps & DMC Role

2. Leveraging Current Initiatives: Health Homes

MaineCare Services
An Office of the Department of Health and Human Services

Medical Homes are primary care practices that:

- Care for members using a team approach to care coordination.
- Focus on a long term relationship between member and PCP.
- Have electronic medical records.
- Have open access scheduling and convenient hours.

Medical Homes in Maine:

- Maine has 26 practices engaged in a multi-payer Patient Centered Medical Home Pilot. This multi-payer pilot will expand by 20 practices in January 2013.
- In total, there are 82 practices recognized as Medical Homes by the National Committee for Quality Assurance (NCQA).
- In addition, 14 Federally Qualified Health Centers (FQHCs) have been selected as part of CMS's Advanced Primary Care demonstration. These practices must attain NCQA certification within the next year.

2. Leveraging Current Initiatives: Health Homes

MaineCare Services
An Office of the Department of Health and Human Services

Medical Homes

Community Care Teams (CCTs)

- Medicare joined the multi-payer PCMH pilot this month as part of Medicare's Multi-Payer Advance Primary Care Practice (MAPCP) grant that Maine received.
- As part of the MAPCP demo, Maine has implemented eight Community Care Teams that will work with the PCMHs to coordinate and connect the highest need patients to additional healthcare and community resources.
- The 20 additional practices to join the PCMH pilot in January 2013 must also connect with a new or existing CCT to serve their patients.

2. Leveraging Current Initiatives: Health Homes

MaineCare Services
An Office of the Department of Health and Human Services

Medical Homes

+

Community Care Teams (CCTs)

=

Health Homes

- Medical home practices and the CCTs together enable MaineCare to better serve our highest need populations and qualify for the Affordable Care Act's "Health Home" State Plan option.
- CMS will provide a 90/10 match for Health Home services to eligible members for eight quarters.
- The 90/10 match will enable MaineCare to pay care management fees for any MaineCare members that meet CMS' chronic conditions criteria, including members dually enrolled in MaineCare and Medicare, and members enrolled in hospital-based practices.

2. Leveraging Current Initiatives: Health Homes

MaineCare Services
An Office of the Department of Health and Human Services

Health Homes may serve individuals with:

- Serious and persistent mental illness (SPMI)
- Two or more chronic conditions
- One chronic condition and who are at risk for another

- Required Health Home services include:
  - Comprehensive care management
  - Care coordination and health promotion
  - Comprehensive transitional care from inpatient to other settings
  - Individual and family support
  - Referral to community and social support services
  - Use of health information technology (HIT)

- MaineCare plans to serve individuals with SPMI in the second phase of its Health Homes initiative, through the partnership of medical home practices with Community Mental Health Center CCTs.

2. Leveraging Current Initiatives: Health Homes Timeline

MaineCare Services
An Office of the Department of Health and Human Services

Jan /Feb 2012:

PCMH Pilot Expansion/ Health Home RFP through Quality Counts

Mar 2012:

Submit Health Homes SPA

July 2012:

SPA approval for implementation

Jan 2013:

Implementation for members with SPMI

2. Leveraging Current Initiatives: Primary Care Provider Incentive Program

MaineCare Services
An Office of the Department of Health and Human Services

The Primary Care Provider Incentive Payment (PCPIP) program provides incentive payments to providers in order to:

- Increase provider access to MaineCare members
- Reduce unnecessary/inappropriate ED utilization
- Increase utilization of preventive/quality services

Providers are ranked according to three areas:

- 40% Access
- 30% Emergency Room use
- 30% Quality of care
  - 20% MaineCare measures
  - 10% Maine Health Management Coalition Pathways to Excellence measures

Providers ranking in the 20th percentile or above receive incentive payments.

From April 1, 2009 to March 31, 2010, 552 providers across 176 sites received a total of $2.6 million (~$4700 per practice) in payments.

2. Leveraging Current Initiatives: PCPIP Reform Ideas

MaineCare Services
An Office of the Department of Health and Human Services

The PCPIP was last modified in 2007.

While providers have made significant gains opening their doors to MaineCare members, the following concerns remain:

- Providers do not move much within the ranking order
- Maine's ED use is higher than the rest of the country
- MaineCare members are more likely to use the ED than non-MaineCare members
- There is significant variation in ED use across Hospital Service Areas

The Department is exploring ideas to improve the PCPIP program.

These include:

- Requiring either substantial or ranking at least above the mean (or higher)
  - Reducing the number of providers receiving payment to make them higher and more meaningful to those who qualify
- Shift emphasis from access (currently 40%) to other areas
- Stronger alignment of quality measures with Pathways to Excellence or other broadly used measures to capitalize on multi-payer effort

2. Leveraging Current Initiatives: Transparency & Reporting

MaineCare Services
An Office of the Department of Health and Human Services

MaineCare wants to improve the transparency of provider performance to the public and MaineCare members.

MaineCare plans to:

- Build off efforts by the Maine Health Management Coalition (Get Better Maine http://getbettermaine.org/) and the State Employee Health Commission)
- Highlight preferred providers for informational purposes
- Make information easily accessible on the Department and MaineCare websites

Agenda

MaineCare Services
An Office of the Department of Health and Human Services

Agenda

- Welcome from Commissioner Mayhew
- Context: High-Cost Member Profile
- Overview of Value-Based Purchasing Strategy
- Description and Discussion of Strategy Components
  1. Emergency Department Collaborative Care Management Project
  2. Leveraging of current initiatives and federal opportunities
     - Health Homes
     - Primary Care Provider (PCP) Incentive Payment Reform
     - Transparency and Reporting
  3. Accountable Communities Initiative
- Request for Information
- Next Steps & DMC Role

3. Accountable Communities: What is an ACO?

MaineCare Services
An Office of the Department of Health and Human Services

The definition of an ACO depends on who you ask…

The Department is adopting the simple definition that an ACO is:

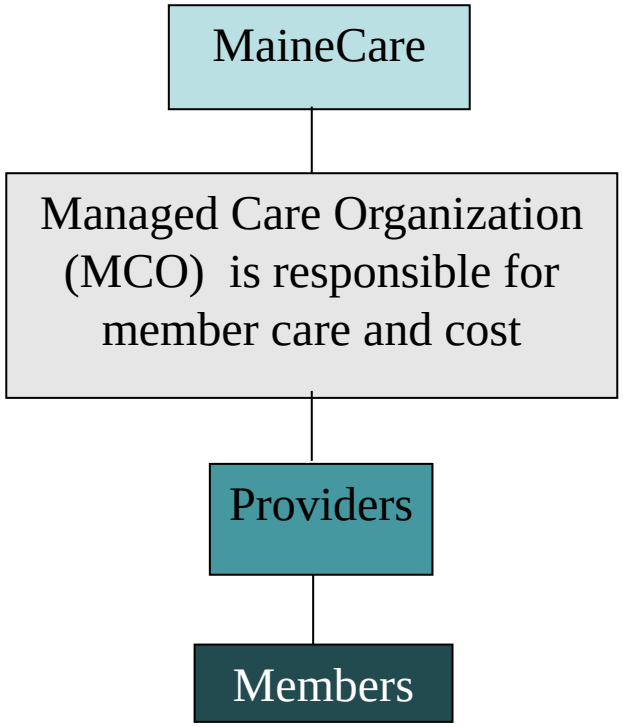
An entity responsible for population's health and health costs that is:

- Provider-owned and driven
- A structure with a strong consumer component and community collaboration
- Includes shared accountability for both cost and quality

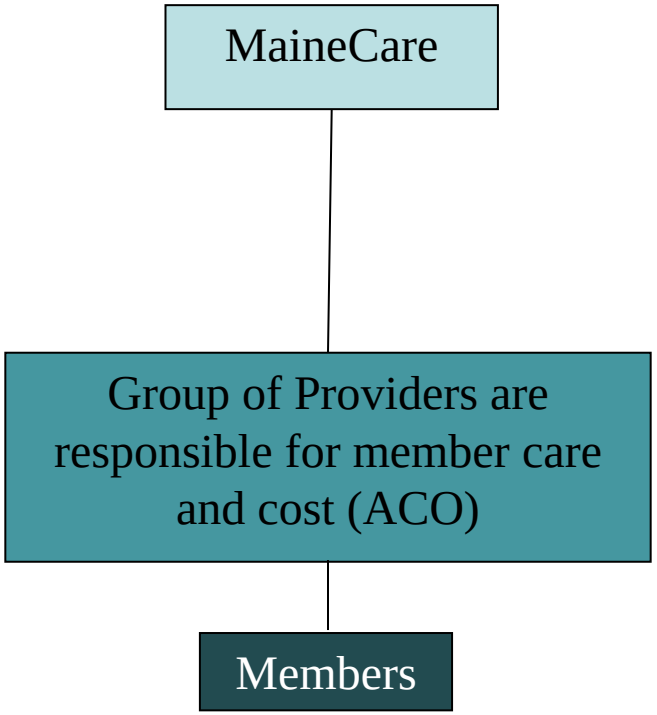
2. Accountable Communities: How is an ACO different from a MCO?

MaineCare Services
An Office of the Department of Health and Human Services

Managed Care Organization (MCO)



Accountable Care Organization (ACO)

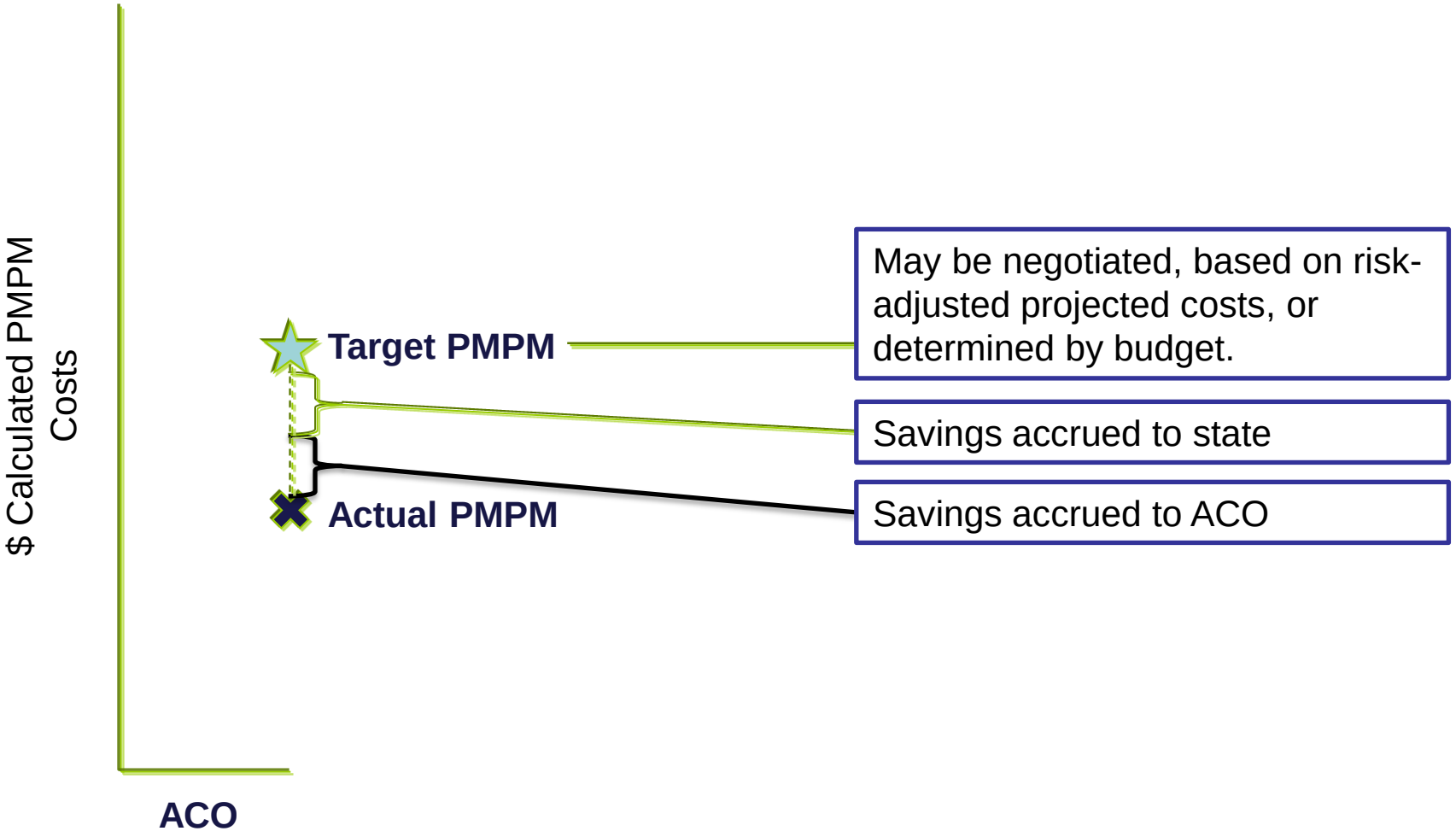


2. Accountable Communities: How is an ACO different from Managed Care?

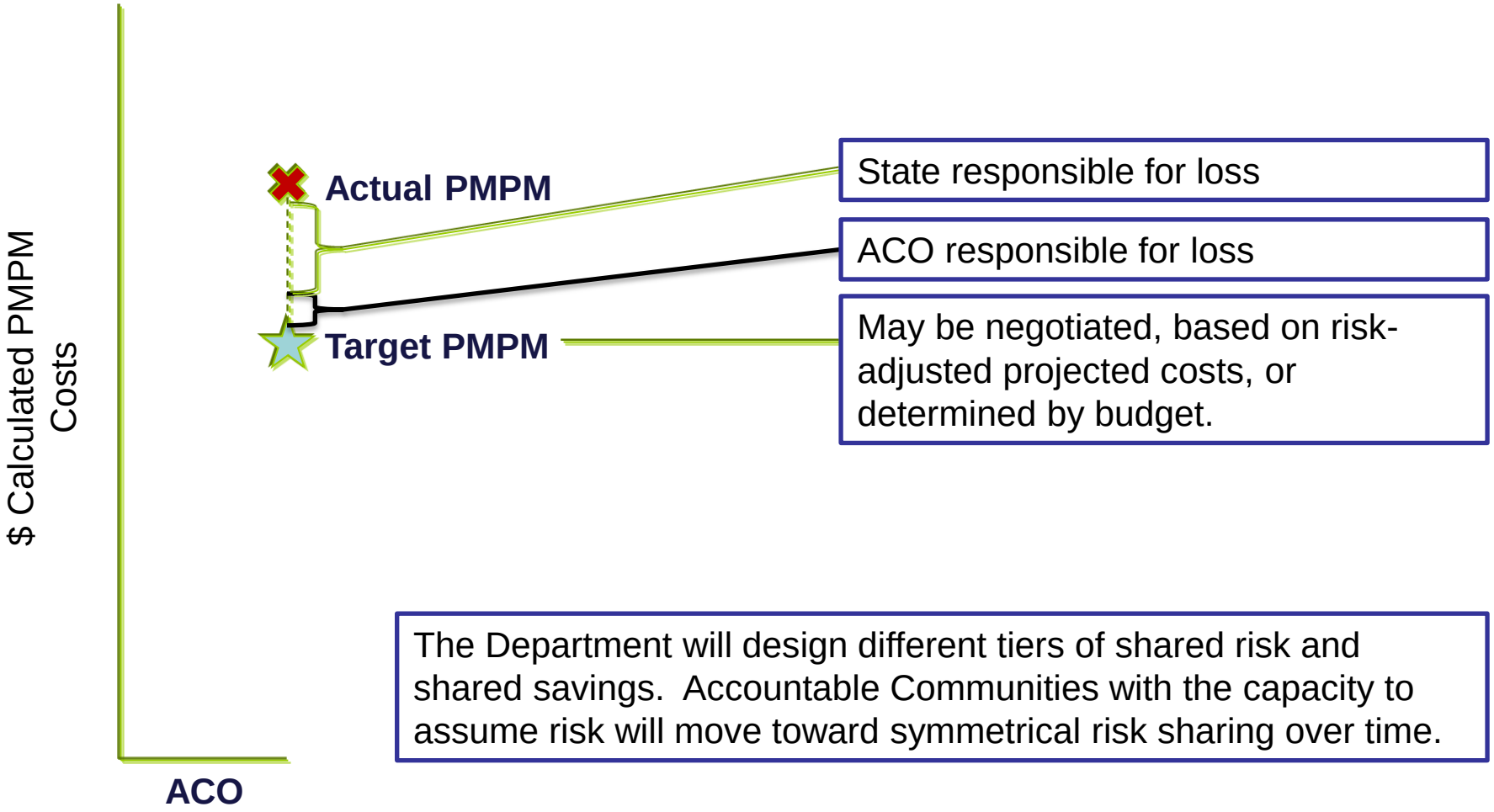
MaineCare Services
An Office of the Department of Health and Human Services

Managed Care Organization (MCO)	Accountable Care Organization (ACO)
Have traditionally controlled costs through utilization and rate control	Major levers to control costs are care coordination across providers and collaborative approach with member.
Members enroll in MCO Health Plan	Members are "attributed" to an ACO but the member would not necessarily otherwise know s/he is "part" of an ACO.
Member choice of providers is limited to providers in MCO network	Members retain choice of providers with an emphasis on development of a relationship between ACO providers and the member.

2. Accountable Communities: Will start with a shared savings model



2. Accountable Communities: Over time, some communities will assume shared risk.



The Department will design different tiers of shared risk and shared savings. Accountable Communities with the capacity to assume risk will move toward symmetrical risk sharing over time.

2. Accountable Communities: MaineCare's Basic Model Components

MaineCare Services
An Office of the Department of Health and Human Services

- Open to any willing and qualified providers statewide
  - Qualified providers will be determined through an RFP or application process
  - Accountable Communities will not be limited by geographical area
- Members retain choice of providers
- Alignment with aspects of other emerging ACOs in the state wherever feasible and appropriate
- Flexibility of design to encourage innovation

To serve the unique needs of the MaineCare population:

- Requirement that Accountable Communities collaborate with other providers, hospitals, and social service organizations in the community
- Focus on integration of physical and behavioral health
- Strong interest in proposals to serve highest need populations

2. This group will finalize many other details of the Accountable Communities design with RFI input.

MaineCare Services
An Office of the Department of Health and Human Services

What providers make up an ACO?

- Will mandate the inclusion of PCP and collaboration with community health and social service organizations
- Otherwise remain flexible re membership.

For which costs and services will Accountable Communities be responsible?

MaineCare plans to define a “core” set of services for which all Accountable Communities will responsible. Accountable Communities will be encouraged to assume responsibility for additional services beyond the core. MaineCare is interested in proposals to serve the highest need populations.

How will an Accountable Community know for which members it is accountable?

MaineCare currently plans to attribute members based on their assigned PCCM PCPs. Members who are not in PCCM would be assigned prospectively based on the PCP that received a plurality of their visits in the past..

Accountable Communities Timeline

MaineCare Services
An Office of the Department of Health and Human Services

Mar 2012:

Public Forum to present proposed model

Apr 2012:

Submit Draft RFP for approval

May 2012:

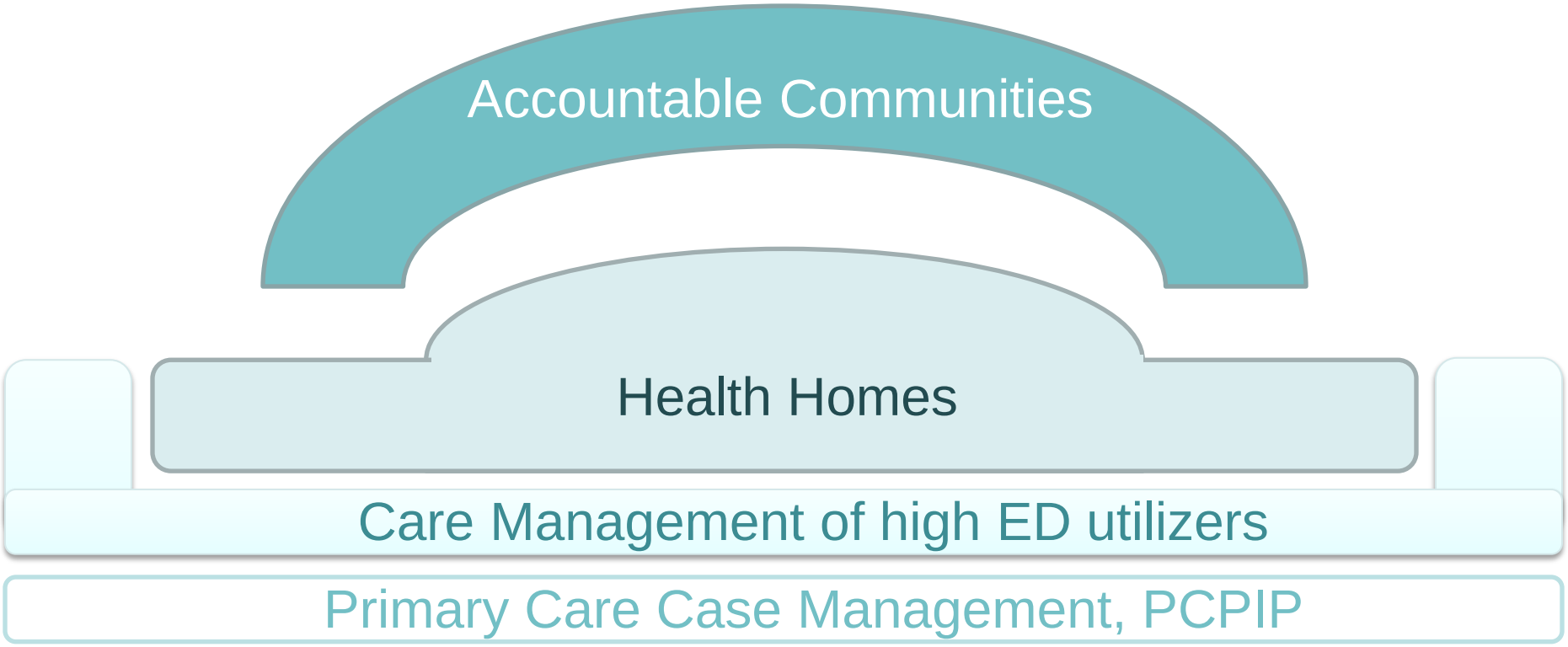
Release RFP

Submit SPA

Oct 2012:

Implementation

How do the different components of the VBP Strategy fit together?



Agenda

MaineCare Services
An Office of the Department of Health and Human Services

Agenda

- Welcome from Commissioner Mayhew
- Context: High-Cost Member Profile
- Overview of Value-Based Purchasing Strategy
- Description and Discussion of Strategy Components
  1. Emergency Department Collaborative Care Management Project
  2. Leveraging of current initiatives and federal opportunities
     - Health Homes
     - Primary Care Provider (PCP) Incentive Payment Reform
     - Transparency and Reporting
  3. Accountable Communities Initiative
- Request for Information
- Next Steps & DMC Role

The VBP RFI will assist the DMC to formalize the Health Homes and Accountable Communities Models

MaineCare Services
An Office of the Department of Health and Human Services

- **November:** RFI released seeking information on:

Accountable Communities

- Interest of organizations
- AC membership, governance, collaboration
- Consumer & family involvement
- Consumer advocacy and involvement
- Payment models
- Assumption of risk
- “Impactable” costs of care
- Performance measures
- Data sharing and analytics
- Member attribution

Health Homes

- Interest of organizations
- Capacity to provide required services
- Capacity to coordinate services for dually eligible individuals, including primary, acute, prescription drug, behavioral health, and long-term supports and services

The VBP RFI will assist the DMC to formalize the Health Homes and Accountable Communities Models

MaineCare Services
An Office of the Department of Health and Human Services

- **December:** 28 RFI responses received

Organization Type	No.	AC Interest	HH Interest
Behavioral Health	11	9 I, 2 DNA	8 I, 3 DNA
Health System	5	2 I, 2 PI, 1 N	4 I, 1 PI
Health Plan/ ASO	4	3 I, 1 N	1 PI, 3 DNA
Consumer Advocacy	3	1 I	1 I
Home Health	3	3 I	2 I, 1 DNA
Primary Care	2	2 I	1 I, 1 DNA
Pharmacy	1	1 DNA	1 I

Key	
I	Interested
PI	Potentially Interested
N	Not Interested
DNA	Did Not Answer

The RFI is posted on the Department's Value-Based Purchasing website at: **http://www.maine.gov/dhhs/oms/mgd_care/mgd_care_index.html**

Agenda

MaineCare Services
An Office of the Department of Health and Human Services

Agenda

- Welcome from Commissioner Mayhew
- Context: High-Cost Member Profile
- Overview of Value-Based Purchasing Strategy
- Description and Discussion of Strategy Components
  1. Emergency Department Collaborative Care Management Project
  2. Leveraging of current initiatives and federal opportunities
     - Health Homes
     - Primary Care Provider (PCP) Incentive Payment Reform
     - Transparency and Reporting
  3. Accountable Communities Initiative
- Request for Information
- Next Steps & DMC Role

Next Steps & the DMC

MaineCare Services
An Office of the Department of Health and Human Services

- Late Jan: Synthesis of RFI responses
- Jan - Feb: DMC will meet weekly to finalize proposed Health Homes and Accountable Communities models on Mondays from 2-3:30 at 19 Union St.
  - Tentative dates:
    - Jan 30
    - Feb 6
    - Feb 13
    - Feb 27
  - MaineCare will distribute agenda topics for each of the four meetings to ensure key participants are present.
- Mar: public forum to provide feedback on proposed models